

## What are the banking and situational based questions asked in IBPS PO interview?

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### SET-5

01.

**What do you mean by masala bonds?**

*Masala bonds are the bonds issued for rupee denominated borrowings by Indian companies in overseas markets*

02.

**What do you mean by secondary market in our country?**

*Secondary market pertains to capital market and it is also known as stock exchange or old issues market. Shares, debentures and bonds can be bought and sold from the stock exchange through registered brokers.*

03.

**What do you mean by fund based limits and non fund based limits?**

*The loans provided to the borrowers in the form of term loans, overdrafts, cash credits and bills discounting limits are known as fund based limits since funds are released to the borrowers. Guarantees and letter of credits are non fund based limits since no funds are provided for the time being since they are contingent liabilities.*

04.

**What do you mean by off balance sheet items?**

*Guarantees, letter of credits and bills sent for collection for which proceeds are yet to be realized are known as off balance sheet items*

**05.**

**What do you mean by closed ended scheme?**

*This is one form of mutual fund scheme. Like initial public offer, the scheme is open for a certain period only and after which the public cannot invest their amount in the units under this scheme.*

**06.**

**What do you mean by open ended scheme?**

*This is one mutual fund scheme and the units under scheme can be purchased and sold at any time*

**07.**

**What do you mean by overdraft facility granted by a bank?**

*Overdraft is a facility granted by the banks towards meeting the working capital requirements of a borrower. This is provided by means of credit limit over and above the current account balance and the borrower has to pay the interest as and when due.*

**08.**

**What do you mean by collateral security?**

*Collateral security is an additional security provided by the borrower in addition to the primary security. For example, in the case of vehicle loan, the car purchased out of loan is known as the prime security and the insurance policy obtained by the bank from the borrower for the sanction of this loan is known as collateral security.*

**09.**

**In regard to educating a customer, what are the different kinds of information boards displayed in a bank branch?**

*The following boards are available in the bank branches – Working hours and business hours; Interest rates on various deposits; Interest rates for loans; Service charges; Time norms for various services; Details of schemes available in the branch*

**10.**

**Who is the present RBI Governor?**

*The present governor of RBI is Shri Urjit Patel and he is functioning as the governor of RBI since 04th September, 2016*

**11.**

**What do you mean by unclaimed deposits?**

*The deposits which are not in operation for more than ten years are known as unclaimed deposits. For the purpose of this classification, the customer induced transactions are only taken into account.*

**12.**

**How many regional centres are available for RBI in the country?**

*Reserve Bank of India has four regional centres at the following places – Chennai, Kolkatta, New Delhi and Mumbai.*

**13.**

**What do you mean by white label automated teller machines?**

*The automated teller machines which are maintained and managed by non bank entities are known as white label automated teller machines. In our country TATA Indicash and Muthoot finance are having such machines installed at various centres.*

**14.**

**What are the advantages of CTS?**

*CTS means cheque truncation scheme. This is used for clearing purpose. Normally commercial banks used to send the physical cheques through their*

**15.**

**What do you mean by certificate of deposits?**

*Certificate of deposits are issued by scheduled commercial banks (except Regional Rural Banks) and all financial institutions within their umbrella limits. Individuals, corporate, companies, trusts, funds and associations can invest in certificate of deposits and they are issued for a minimum period of seven days and maximum period of twelve months in the case of commercial banks and in the case of financial institutions the minimum period is one year and maximum three years, Minimum amount for investment is Rupees one lakh and in multiples of Rupees one lakh.*

**16.**

**RBI is called by which names – mention four names?**

*RBI is called by the following names – banker to banker; lender of the last resort; custodian of banks; banker to government;*

**17.**

**What do you mean by ways and means advances?**

*Ways and means advances were introduced as per an agreement between Reserve Bank of India and Government and they are temporary overdraft facilities provided by RBI to central government and state governments and the purpose is to bridge the time interval of*

*mismatch the government expenditure and receipts. The duration of the limit is ten days for central government and 14 days for state government departments.*

**18.**

**Who is banking ombudsman and by whom he is appointed?**

*Banking Ombudsman is an arbitrary authority who resolves the complaints received from the customers of commercial banks in regard to bank related issues.*

**19.**

**What do you mean by EEFC account?**

*Exchange Earner's Foreign Currency account is an account maintained in an account maintained in foreign currency with an authorized dealer ; i/e/ a bank dealing in foreign exchange. Professionals, exporters, trainers etc., who are in receipt of foreign exchange for the services extended by them in foreign countries can invest the amount in EEFC account and the account will be in the form of current account and no interest is paid for the balance held in EEFC account.*

**20.**

**What do you know by NBFC?**

*NBFC means non banking finance companies. It is a company registered under Indian Companies act 1956 and presently 2013 engaged in the business of providing loans and advances, acquisition of shares/stocks/bonds/debentures/securities issued by Government or local authority or other marketable securities of a like nature, leasing, hire purchase, insurance business, chit fund business etc.,*